



State Capitol | Lansing, Michigan 48913

PH (517) 373.2420 | FAX (517) 373.2764

[www.senate.michigan.gov/gop/senator/garcia/](http://www.senate.michigan.gov/gop/senator/garcia/)

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Contact: Karen Heath  
517-373-2420

## **Garcia and Senate Republicans announce new budget process that focuses on results, not traditional appropriation methods**

**LANSING** – Michigan will join a handful of other states that have overhauled how they spend taxpayer dollars by prioritizing government programs and services based on the results residents want and need, State Sen. Valde Garcia, R-Howell, announced today.

Several states, including Washington and South Carolina, have switched successfully to results-based government that focuses on how the state can best spend the money taxpayers send it. State leaders will be seeking to answer four questions during the budget process.

The four questions are:

1. How much revenue will the state have for fiscal year 2006?
2. What results matter most to Michigan's citizens and how does government set priorities to attain those results?
3. What percentage of the budget should be spent to achieve each result?
4. How can government best deliver results?

Question No. 1 was answered earlier this month when the Revenue Estimating Conference set the state's revenue at \$39.5 billion, which includes all federal dollars, state fees and general purpose money (\$8.85 billion is general fund dollars).

"Now that we know what we have, we must take a hard look at our spending," Garcia said. "Like the hardworking families in our state, we also must budget the state's money so we are living within our means."

The new budgeting system will benefit state government and Michigan residents by:

- Ensuring state government spends the money it has without raising taxes and fees.
- Framing Michigan's budget around results, not bureaucracies.
- Focusing on how most effectively to spend the \$39.5 billion the state has in revenue. The discussions will focus on what to keep, not what to cut.
- Prioritizing and "buying" government programs and services that produce the results Michigan residents want instead of continuing any and all programs that have always existed whether or not they accomplish what was intended.

To that end, Senate Republicans will be working on results teams that will help craft the 2006 budget under the parameters outlined above. These work groups will be targeting outcomes for the money being spent, instead of focusing on funding the state's bureaucracy.

"It's going to take people with the courage to do something different to truly get things done," Garcia said. "We can no longer afford to settle for the status quo if we are to find real solutions to Michigan's budget crisis."